The A. F. of L. Weekly News Service gives news accounts and official interpretations of matters affecting labor occurring in the federal, legislative, and judicial fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR
WEEKLY NEWS SERVICE

Acceptance for mailing at special rate of postage provided for in Sec. 1126, Act of October 3, 1917, authorized July 11, 1918. Entered as second-class matter September 26, 1933, at the Post Office at Washington, D. C., under the Act of August 24, 1912.

Samuel Gompers said:

The trade union puts no limit upon its membership, except that of skill and character; it welcomes every wage-worker.

WHOLE NO. 2036 — WILLIAM GREEN, *President* — WASHINGTON, D. C., TUESDAY, APRIL 18, 1950 — GEORGE MEANY, *Secretary-Treasurer* — VOL. 40, NO. 16

Bill Raises Pay For Unemployed

Washington.—Brief summary of principal provisions of H.R. 8059 introduced by Rep. John W. McCormack to extend and improve the unemployment compensation program:

I—Extension of Coverage

A. Coverage under the Federal Unemployment Tax Act of employers who have one or more individuals in employment at any time; thus extending the protection of the employment security program to employes of small firms.

B. Coverage of Federal civilian employes under the unemployment insurance laws of the states where employes perform federal services, the costs to be financed by the federal government.

C. Redefinition of agricultural labor to bring within coverage of the program certain employes who are not ordinarily thought of as performing "agricultural labor" and employes who perform certain operations of an essentially industrial nature on farm commodities for employers other than farmers.

D. Redefinition of the term "employe" to bring within the coverage of the program certain individuals who, although economically dependent upon the employer, fail to meet in some respects the technical common law definition of the term "employe." The bill also removes the exemption relating to insurance salesmen.

E. Puerto Rico to be defined as a state under Title III and the Federal Unemployment Tax Act, subject to Puerto Rico's acceptance of coverage.

II—Minimum Benefit Provisions to be Incorporated Into State Laws

A. Benefit payments to individuals without dependents to be substantially equal to 50 percent of weekly wages up to at least $30 a week; for individuals with one dependent, benefits to be substantially equal to 60 percent of weekly wages up to at least $36 a week; for individuals with 2 dependents, benefits to be substantially equal to 65 percent of weekly wages up to at least $39 a week; for individuals with 3 or more dependents, benefits to be substantially equal to 70 percent of weekly wages up to at least $42 a week.

B. Benefit duration of at least 20 weeks in a benefit year, uniformly available to all insured unemployed persons.

C. Qualifying requirements of not more than (1) wages equal to 30 times the benefit amount; or (2) wages equal to 1½ times high-quarter earnings; or (3) 20 weeks of employment in the base period. These qualifying requirements are common use in the states.

III—Provisions to Assure Prompt and Full Payment of Benefits to Multistate Workers.

In order to assure that persons who work in several states during their base period shall receive full and prompt payment of benefits to which they are entitled, the bill contains provisions directing the Secretary of Labor to withhold from a state administrative grants unless the state law contains provisions for participation in plans and methods of combining wage credits of multistate workers and for handling interstate claims which the Secretary of Labor finds are reasonably calculated to assure the prompt and full payment of benefits to workers who move from one state to another.

IV—Provisions Designed to Preclude Abuse of the Program by Fraudulent Claimants

In order to prevent fraud and to discourage all types of unwarranted payments, the bill contains provisions directing the Secretary of Labor to withhold from a state administrative grants unless the state law contains provisions for methods of administration which the Secretary of Labor finds are reasonably calculated to assure the payment of unemployment insurance program by fraudulent claimants and to assure the payment of compensation only to individuals entitled thereto.

V—Provisions Relating to Waiting Period and Disqualifications

Benefits are to be payable to all unemployed insured claimants who are able and willing to work exactly as the state may postpone the payment of benefits for the first week of unemployment in a benefit year; it may postpone the payment of benefits for not more than the benefits potentially payable) up to 6 weeks if the claimant voluntarily quits work without good cause, or was discharged for misconduct connected with his work, or refused suitable work without good cause.

A state may deny benefits to workers on strikes, but not to employes who are "locked-out" by their employer. It may postpone, or reduce the amount potentially payable, or cancel the wage credits of any claimant who makes a false claim for benefits. A state may, if it so desires, postpone for the duration of his unemployment the payment of benefits to any individual who has been discharged for misconduct connected with his last employment which has resulted in his conviction of a crime.

VI—Financing Provisions (Including Reinsurance Grants)

A. Automatic appropriation of proceeds of the Federal Unemployment Tax Act to the federal unemployment account in the Unemployment Trust Fund. The federal unemployment account is to be used (1) — or provide grants to states to defray the cost of (a) benefits under unemployment compensation laws and their public employment offices; (2) to defray the costs of the federal administration of the unemployment security program; and (3) to provide reinsurance grants to states.

The bill also authorizes contingency appropriations to be available to states for the administration of their employment security programs in the event of unforeseen changes in conditions, such as an unexpected increase in the number of claims filed.

B. Substitution of reinsurance grants for present provisions for loans to states which have expired. The bill provides that a state shall be entitled to a reinsurance grant for any calendar year beginning after June 30, 1950, whenever on the last day of a calendar quarter the funds available to the state for the payment of unemployment compensation fall below the amount of compensation paid during the preceding 36 months.

However, in order for a state to be eligible for reinsurance grants after the termination date for the 50 percent additional credit after December 31, 1952, it must have levied a tax rate of at least 1.2 percent on all covered employment in the compensation year for such taxable year the state's unemployment fund has fallen below a specified margin of safety, namely, 5 percent of the total wages in covered taxable payroll or below the amount of compensation paid during the two years immediately preceding, whichever amount is greater.

The amount of the grant is to be an amount estimated by the Secretary of Labor to be equal to three-fourths of the compensation which will be payable during the quarter to the extent that such amount which exceeds 2 percent of the taxable payroll for such quarter. The bill contains appropriate safeguards against abuse and provides for suitably liberalizing its unemployment insurance law with the expectation of defraying the increased cost of compensation with funds obtained from a reinsurance grant.

VII—Definition of Wages

A. The upper limit on earnings subject to the Federal Unemployment Tax Act during a calendar year is increased from $3,000 to $4,800. B. The latter wage limitation is made applicable, under certain conditions, to wages paid either by the employer or by a predecessor employer.

B. The term "wages" is defined to include tips, but only in the amount that the employe reports in writing, within a specified time, to the employer as having been received by him during the calendar quarter.

VIII—Effective Dates

A. The provisions relating to benefits would become effective July 1, 1950.

B. The provisions relating to extension of coverage (except for federal employes) and definition of wages would become effective January 1, 1951.

C. Federal employes would become entitled to benefits beginning January 1, 1951.

D. The automatic appropriation of the proceeds of the Federal Unemployment Tax Act to the federal unemployment account would become effective January 1, 1951.

E. States would become eligible for reinsurance grants with the quarter beginning July 1, 1950.

CALLS FOR JOBS

Washington.—Lewis Hines, special AFL representative, told the American Industrial Development Council that the problem of mounting unemployment cannot be safely disregarded.

"Continued industrial expansion and development are essential to its lasting solution," Mr. Hines said. "Labor, together with the rest of the public at large, is vitally and directly concerned over the manner in which industry reacts to the responsibility which this involves."

ILLINOIS CHANGES

Chicago.—AFL Vice President William L. McFetridge, president of the Building Service Employes, resigned as vice president of the Illinois Federation of Labor and was succeeded by Gus Van Heck, vice president of the Building Service Employes.

Earl J. McMahon, secretary treasurer of the Illinois federation since Feb. 5, 1949, resigned and was succeeded by Stanley L. Johnson, secretary of the Chicago AFL Carpenters District Council.

Protecting Rights Demands a Fight

Washington. — Nelson H. Cruikshank, AFL director of social insurance activities, listed four industrial rights whose preservation "demands tireless, unrelenting, vigilance and devotion."

He said these are (1) the individual's right to enjoy those rights common to others; (2) the right to follow his own light; (3) the right to organize, and (4) the right to unbiased information.

"In many parts of the country the very right of workers to organize is threatened," Mr. Cruikshank told the U. S. National Commission for the United Nations Educational, Scientific and Cultural Organization.

"Too large a portion of our economies," he said, "still have to be rooted to fighting such repressive measures as the Taft-Hartley Act as well as similar measures passed by many states which are designed for the purpose of denying working people the very right to participate in an economic organization of their own free choice."

Mr. Cruikshank said that this attack on the individual's right to organize and other rights "anywhere at any time constitutes a real threat to international cooperation."

Green and Chilean President Meet

Washington.—AFL President William Green talks earnestly with President Gabriel Gonzalez-Videla of Chile during latter's state visit to United States.

Veep Greets AFL Officials

Washington.—The Union Label Trades Department released this photo of Vice President Alben W. Barkley, honorer of the 5th AFL Union Industries Show May 6-13, showing the popular Veep with L to r., Vice President Albert Asendal of the AFL United Garment Workers; AFL Vice President George M. Harrison, president of the brotherhood of Railway Clerks, and Fannia M. Cohn, of the AFL International Ladies Garment Workers Union.

Veep Endorses AFL Union Show

Washington.—Vice President Alben W. Barkley said in a statement that he is "glad to host" the AFL it sponsoring another union industries show this year to be held May 6-13 in Convention Hall, Philadelphia.

His statement was released by AFL Vice President Matthew Woll, president of the AFL Union Label Trades Department which is sponsoring the show.

"You are certainly to be commended on this unique enterprise to bring labor and management together in teamwork by their participation in your annual event," Mr. Barkley said.

"I am for the Union Label just as I am for labor because it is the emblem displayed on the products that are made under fair union conditions and is always the best evidence of quality as well as craftsmanship.

"I like the 'good relations' feature of your show because harmony between workers and employers leads to industrial peace, which is one of the great goals of the present age. It is necessary to increase production with its required increase in employment and purchasing power and purchasing power so necessary to our prosperity, which, if you will permit me to remind you, has been brought about chiefly by the New Deal and the Fair Deal program."

Garment and Shoe Unions Plan Display

Philadelphia.—The AFL United Garment Workers and manufacturers of union-made garments and shoes will display every item of men's, women's and children's wearing apparel—men's suits, work clothes, uniforms, sportswear, and all other items of wearing apparel for the entire family at the 5th AFL Union Industries Show May 6-13.

All the latest in footwear will be exhibited in an attractive booth by the AFL Boot and Shoe Workers' Union. Every piece of footwear for men, women, children and babies bears the union stamp of these unexcelled American craftsmen. Out-every samples of dress and work shoes, showing the intricate workmanship in union-stamped shoes, will convince the doubters that they are the finest in the world.

There will be union label hats and caps for men and gorgeous creations made millinery for women. Stockings, socks and all kinds of wearing apparel including gloves, ladies' neckwear, handkerchiefs, scarves and every article of clothing for every member of the family will be found on display.

KEY RING TO BE SHOW SOUVENIR

Philadelphia.—The AFL souvenir at the 5th AFL Union Industries Show here May 6-13 will be a key chain with a tag shaped like a Liberty Bell. The message on the back reads: "Time to ring again for free labor in a free land."

Clock Focal Point Of AFL Exhibit

Philadelphia.—An illuminated clock will be the focal point of the American Federation of Labor exhibit at the 5th AFL Union Industries Show May 6-13.

AFL President William Green said the 1950 Union Industries Show will portray the activities of organized labor trade union movement renders to the nation, to mankind, and to the world. He said:

"The central and focal point of the exhibit will be an illuminated clock with moving hands, which will call attention to the fact that every hour of the day, labor is working and serving all the people, providing transportation, communication, health care, and education for our children.

"The American Federation of Labor is in the forefront of our American fighting against Communism and un-American ideologies. We are seeking a constantly better life for all our people through better living and working conditions, adequate social security, higher education, better housing, and the preservation of our American free enterprise system."

MAY 1 DEADLINE

New York.—May 1 is the deadline for applications for cash awards open to 55 years old to apply for one of the five scholarships offered by the Transatlantic Foundation for a year's study at Bard's College, Oxford, England. Information may be obtained from the Committee on Bard's College Labor Scholarships, 2 W. 45th St., New York 19, N. Y., or Alan Cannon, director AFL Workers Education Bureau.

EXACTLY!

Detroit.—No one can claim that the housing shortage has been licked in this country so long as one of the largest segments of its population—those making from $40 to $60 a week—has not been taken care of. Housing Director Clyde D. Woods told the Detroit Council for Better Housing.

Milk Driver Graduates

Chicago.—Thomas J. Haggerty (left), member of the Chicago board of education and secretary-treasurer of the AFL Milk Drivers Union, presents certificates to 21 union members graduated in a class on social legislation conducted by University of Illinois Institute of Labor and Industrial Relations. Instructor was Prof. Herman Erickson, far right.

Meany Gives Award To Senator Lehman

By ARNOLD BEICHMAN
News Service
New York Correspondent of AFL

New York.—The Republican-Dixiecrat coalition in and out of Congress stood exposed by George Meany, AFL and the Fair Deal as votaries of a "welfare state" for big business only.

Speaking jointly at the 45th anniversary luncheon of the League for Industrial Democracy, AFL Secretary-Treasurer George Meany, Senator Herbert H. Lehman, Social Security Administrator Oscar Ewing and the anti-Fair Dealers for supporting "the handout state" only for big business, such as tax and subsidies to railroads, airlines, merchant shipping.

To Secretary Meany went the honor of receiving the League's Lehman award, a citation for his contributions to national and international welfare. The citation presented by the Board of Directors of the League for Industrial Democracy praised the former New York state governor and UNRA administrator for his humanitarian work.

In his address, Senator Lehman, who spoke on the theme of "Freedom and the Welfare State," asserted that after 20 years of the New Deal, freedom in the true sense flourishes more generally and more widely than ever before in our history."

He warned against some of the basic program of the welfare state because "these employment aids" [illegible] sight of the most important—and to me the most crucial—truth of our time—that a government which has secured the greatest degree of welfare for its people in the government which will most surely destroy freedom and totalitarianism.

"The critics of the welfare state do not understand this simple fact," said Mr. Lehman. "They spend their time looking for Communists in every nook and cranny and at the same time attack those measures which would give substance and which would-be Communists of their ammunition and of their audience. The measures which would provide for the welfare of the people are the surest weapons against totalitarianism."

Secretary Meany said that the "reactionary politicians" were trying to frighten the American people with "socialism" when the welfare state was inevitably would fail.

"I am, with the exception of the union label—are more or less willing to support the welfare state if it is still pouring out.

"I am for the welfare State' when the government spent millions to help the railroads build superhighways and transportation networks?

"I am for the 'Welfare State' when the government paid heavy subsidies to the shipping lines so that our merchant marine could be maintained in wartime?

"Is it a 'Hand-out State' when the government helps the railroads through higher airmail payments and subsidized airline routes?

"Is it a 'Hand-out State' when the government helps the railroads to build an second-class mail in order to help publications reach more readers?

"The American Federation of Labor, as a free trade union movement, is firm defender of our free enterprise system, but we recognize that it is not believe it wise or prudent for the government to invade the financial or private business, wherever private enterprise is willing to do the job. If any of the social-justice programs undertaken by the New Deal or the Fair Deal were actually damaging to private initiative, we would be among the first to object. But, has private business really suffered under the New Deal and the Fair Deal?

"I am sure we are all remember back as far as 1932 when Franklin Roosevelt took office. Our financial structure on the brink of complete disaster; agriculture prostrate and the buying power of our people at the lowest point in 40 years; small business failures at an all-time high.

"We didn't hear any arguments about Statism or Socialism from the great leaders of industry in those days. No—on the contrary they flocked to Washington by the thousands with all sorts of proposals by which they hoped the new administration would save them from disaster. That they were saved by the prompt action of that administration is a matter of history.

"Have we have the great captains of industry, who were the architects of our great industrial invention—made out under the Fair Deal which is the present administration? Have their spokesmen—the Taftie, the Martin, the Bridges—heard their Congress?

"I am not going to bore you with any quotations from the record of the present position of big business. Let me simply call you from a report, just out, by the U. S. News, which is edited by David Lawrence. This special report appeared in the March 24 issue of that publication. Here is the quotation:

"American corporations, as a group, are rolling in money. In 4 years, they have invested $60,000,000,000 dollars in new plant and equipment. They have increased other assets by $11,000,000,000; they have paid $16,000,000,000 in taxes; they have set aside $20,000,000,000 for depreciation, and they still have $10,000,000,000 in cash and government bonds on hand.

"U.S. News feels it was the financial position of U. S. business so strong.

I think these figures tell the story. Today, the insurance companies, who so bitterly fought every step of the way to prevent workmen's compensation and social security are making more money than, they know what to do with it. Today, the utility interests which tried every fair and foul means of blocking the rural electrification program are silently splitting up their dividends and their sales of electric power and electric appliances.

"In the same way, I venture to predict, the drug industry, the medical section, which is so frantically campaigning against health insurance, will be forced to admit—after it is established in practice—that the fears the doctors of this country ever got—to say nothing of their patients.

"This controversy over the policies of the Fair Deal and the New Deal is nothing new. It goes back to our earliest beginnings. As I have already stated, it is not our political and economic system which is under attack. It is not—to use what some so-called leaders of industry think is a dirty word—Capitalism.

"The present-day Bourbons of our time are the Taft-Hartley Republican and the Welfare State. To me the crucial issue—the dividing line—is not one or less without regard to the welfare of the people.

"In your time and in mine, I am sure, the welfare of the people, by their own decision in free elections, will be able to achieve a greater degree of human welfare and security than will democracies of the past have been broadened, rather than curtailed, in the process."

Chicago Union Marks 50 Years

By DAN SMYTH
Chicago Correspondent for AFL News Service

Chicago.—The Chicago Electrical Union, International Brotherhood of Electrical Workers, observed its 50th anniversary May 27 with a giant picnic for its members.

Local 134 was organized June 22, 1900, and has grown from a handful of contractors in 1902 providing for a journeyman's wage of $2.50 to 12,000 journeymen electricians earn $2.521 an hour and have $1,000 set aside for a pension fund to which contributions are made.

Thomas J. Murray, business representative and financial secretary, will be master of ceremonies at the celebration. Murray has been with the local who have achieved an entire half century of membership. Murray's record in the IBEW for the 6th district, which includes Chicago, is 50 years.

AFL Vice President Dan W. Tracy, IBEW president, and Ralph Helstein, secretary-treasurer, will present honorary awards to 50 charter members pins to 2,832 of the local's 12,000 members. Pins for 25 years continuous membership will be given to 168 members; pins for 35-year service to 525 and 25-year pins to 1,950.

Speakers who will attend, including representatives of 150 IBEW locals in the Middle West as well as friends and families of the Local 134 members.

Speakers will include Maurice Tobin, U. S. Secretary of Labor; George Meany, AFL secretary-treasurer, and Joseph D. Keenan, director of Labor's League for Political Education.

Local 134 is Keenan's home local.

Invited guests will include Governor Stevenson of Illinois; Mayor Martin H. Kennelly of Chicago; U. S. Senator Scott W. Lucas; Frank Annunzio, director of the Illinois State Department of Labor, and a host of government, civic and industrial leaders.

The A. F. of L. Weekly News Service gives news accounts and editorial interpretations of matters affecting labor according to the industrial, legislative, and judicial fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR
WEEKLY NEWS SERVICE
SUPPLEMENT

WILLIAM GREEN, *President* — WASHINGTON, D. C., FRIDAY, APRIL 21, 1950 — GEORGE MEANY, *Secretary-Treasurer*

Samuel Gompers said:
What does labor want? It wants the earth and the fullness thereof.

Profits So High Most Firms Can Boost Wages Now

Washington.—Profit levels are so high generally that most corporations are able to increase wages this year.

That is the conclusion of an AFL study published herewith.

The AFL has many local unions to seek wage increases of 10 to 15 cents an hour or more this year to raise consumer purchasing power, keep the nation's industrial machine running at full speed, and restore full employment.

Reports just published show that profits in the first quarter of 1950 are up $1,000,000,000 over the first quarter of 1949.

The Standard & Poor outlook of April 10 gave the earnings outlook for 1950 as 10 percent above 1949 in 14 industries: brewing, chemicals, coal, tin containers, electrical power, gold mining, meat packing, natural gas, paper, radio and television, railroads, rayon yarn, beet sugar, tires and rubber goods.

Little change is expected in 38 other industries and profit declines of 10 percent or more are expected in only 10 industries. This is another indication that workers have good reasons to believe companies can pay higher wages in 1950 as productivity increases.

The National City Bank April Bulletin gives profit reports for 2,322 leading corporations in 1948 and 1949.

While most of the 70 industries reported by the bank showed a decline in profits in 1949, 18 of these industries showed higher profits last year than in 1948. Workers should, therefore, carefully examine their companies' financial position before entering into negotiations, for they may be in an industry which is making higher profits now than last year.

Rents Keep On Climbing Skyward

Washington.—Rents are the only item in the U. S. cost of living index continuing to show a steady rise.

The U. S. Department of Labor reports that prices paid by city families of moderate income for goods and services, with the major exception of rents, have shown an almost steady downward trend since the postwar peak in the cost of living was reached in August, 1948.

Rents have shown an opposite trend to most items priced each month by the Department of Labor's Bureau of Labor Statistics for its consumer price index.

The major decline in cost-of-living items has been in the price of food items in the BLS market basket, although apparel, housefurnishings, and other items have followed the downward trend.

In no case, however, have the price declines moved at the pace with which they climbed at the war's end and in between July, 1946, when most OPA controls were lifted, and the decline in near cost-of-living peak of 1948.

Rents, which now constitute the only item in consumer prices which has continued to show upward pressure, started their upward trend in 1947, when wartime controls were to some extent relaxed.

Green Pledges New Fight For Housing

Washington.—AFL President William Green said the housing bill of 1950 signed on April 20 by President Truman falls far short of meeting the housing needs of this country.

Mr. Green said in a statement:

"Although it carries special benefits for the builders and bankers, it contains very few advantages for millions of families who want to buy or rent new homes and apartments at prices they can afford to pay.

"The bill utterly neglects the needs of America's middle-income families whose housing problems is particularly acute.

"The bill does little to eliminate excessive charges and fees by speculative builders.

"It does nothing to revise the terribly low standards of the Federal Housing Administration which place the approval of a government insurance system behind housing projects with inadequate space for family living.

"The AFL will, of course, give very limited consideration to any proposals that the bill sets up under which the AFL is not forced to recognize that this program can at least lead to the development of very few cooperative housing projects for higher-income families.

"The American Federation of Labor regards the defeat of the middle-income cooperative housing program in this session of Congress as only a temporary setback. We intend to do everything within our power to make sure that this vitally needed program is enacted early in the next session of Congress."

BRITISH CALLS CONFERENCE

London.—Britain's Trades Union Congress has invited the other national trade union centers in the British Commonwealth to send representatives to a Commonwealth Trade Union Conference to be held at Geneva in mid-June.

THE $64 ?

(From the Machinist)

Washington.—There are men in Washington who say that they cannot afford to raise wages now despite increased productivity.

The men in Congress who speak for business say we cannot afford to increase social security benefits.

If we can't afford these things now, when are we enjoying the greatest prosperity the country has ever known, when will we be able to afford them? In the middle of the next depression?

Figures from U. S. Department of Commerce. From Labor's Monthly Survey.

EDITOR SEEKS SEAT

Durham, N. C.—E. R. Williamson, editor of the Durham Labor Journal, has announced his candidacy for the United States Congress.

Hola! See You at the Show

Philadelphia.—Three Spanish-costumed Americanos will grace the 5th AFL Union Industries Show when officials of the AFL Cigarmakers International Union and the Cigar Manufacturers Association of Tampa, Fla., arrive here to participate in the show. The exhibit will feature a special showing of fine cigars produced in Tampa and hand made humidors of fine inlaid woods made in Cuba. Cigarmakers President Mario Arpetta and Francis M. Sack, secretary of the Tampa manufacturers association, will be in continuous attendance at the booth during the May 6-13 show.

Woll Invites All To Union Show

Washington.—AFL Vice President Matthew Woll, president of the Union Label Department and director of the AFL Union Industries Show, has invited all AFL members, families and friends to the big 1950 show to be held in Philadelphia May 6 to 13.

He said:

"Our past Union Industries Shows have set a splendid union spirit with American consumers in every city and vicinity in which they were held. They have resulted in a greater demand for the Union Label, Shop Card and Union Button.

"It is the only show of its kind. It is superb public relations. It hits a city with a tremendous impact and leaves in its wake a fine community influence.

"There have been record-smashing crowds at each exhibition to see the action-packed displays of union-made goods and efficient demonstrations of union services, and to enjoy the music of outstanding bands.

"The 5th exhibition, this year, will be the largest, and the most colorful pageant of all things union ever staged anywhere. We invite our national and international AFL unions and affiliates to join the show.

"All are invited to attend. The admission is free. Many valuable prizes are given away."

EDWARDS VISITS SOUTH

Atlanta, Ga.—AFL Radio Commentator Frank Edwards paid the South a visit when he broadcast his national AFL program from Birmingham, Ala., and in the Atlanta area.

Washington.—Workers want to share in the huge profits today's high profits. The chart shows that profits in 1929, the previous all-time peak, have been dwarfed by those of the present. What becomes of these profits?

1. Federal income taxes take a much larger part today: 38% compared to 11% in 1929.

2. Even after these high taxes are taken out, corporate profits after taxes represent much higher earnings on net worth today: 9.8 in 1948 and 8% in 1949, compared to 6% in 1929. This is the correct way to measure profits, as a return on capital. Net worth is the stockholders' original investment in a corporation plus whatever profits may have been retained since the business started.

3. Stockholders get a smaller proportion of the profit today in the dividends paid them, but when measured against net worth—stockholders' equity—they get more: In 1929 dividends were 5.5% on net worth; in 1948, 4.1% in 1949, 4.3%.

4. After taxes and dividends are paid, what share profits are retained in the business—or "ploughed back"? That is the most interesting part of the story. Profits retained are 3 to 5 times those retained in 1929. This sounds extravagant, but there are reasons for it.

(A) From 1946 to 1948, corporations undertook the huge expansion of expanding and reequipping their plants now in use. It cost them almost twice as much as in 1929.

(B) In addition they needed vastly more working capital. Sales were about double 1929, prices were rising fast, reaching a peak 50% above 1929. Corporations needed working capital to buy larger amounts of higher cost materials, to carry larger inventories, extend more credit to customers.

For these purposes they needed all the profits they could get and more. They also had to bring in more money from outside by selling stocks and bonds, or borrowing more bank credit. This money from outside corporations totaled to $14 billion in 1947 and $10 billion in 1948.

Some of this money went back and these billions from outside created other billions. Labor workers and are one of the reasons we had full employment.

But in 1949 the picture changed. Sales for new plant and equipment decreased, prices stopped rising, inventories were cut down, and increased slowly if at all, credit to customers was restricted.

So in 1949, even though profits were big, they slumped back and these billions from outside created other billions. Labor workers and are one of the reasons we had full employment.

But in 1949 the picture changed. Sales for new plant and equipment decreased, prices stopped rising, inventories were cut down, and increased slowly if at all, credit to customers was restricted.

So in 1949, even though profits were big, they slumped back and needed less new money. This is shown by the fact that they used profits for dividends to their stockholders, retained their bank loans, sold fewer stocks and bonds, and in fact needed only $1.14 billion in new money compared to $14 and $10 billion in 1947 and 1948.

When business is highly profitable, new money flows into corporation coffers each year. Especially in 1950 it is essential that this new money be used constructively. Pressing financial needs due to the rapid price rise of 1946-8 are no longer in the picture. Now, the main requirement for capital is not nearly so urgent; corporations do not need liquid funds than in the prewar period. Many corporations are spending huge sums year for new plant and equipment, but this is due to increases in prices since 1939.

Pressure for competition may reduce prices, a healthy development even though it may cut profits a little.

If demand increases and competition forces companies to cut costs, we may hope for further expansion of corporation spending for new plant and equipment which is so important to create jobs.

The soundest seed today is to increase buying power and restore full employment.

TV Holds Spot At Union Show

Philadelphia.—Television, that lusty infant of the entertainment and communications fields, will hold a prominent spot at the 5th AFL Union Industries Show May 6 to 13.

The AFL International Brotherhood of Electrical Workers will demonstrate television sets in the union's big booth at the show.

The National Broadcasting Co. will televise the ceremonial opening of the show at noon, May 6, and carry several other programs during the five days' run.

The Electrical Workers Union has completed arrangements with the Admiral Radio and Television Co., Chicago, for the manufacture of television sets.

The entire IBEW exhibit will encompass a large area in which panoramic views vividly portray the important developments of all phases of the rapidly-growing electrical industry.

IS HE UNION?

Washington.—"Be sure the insurance agent you deal with carries a union card," George L. Bunz, president National Federation of Insurance Agents Council (AFL), urges.

Mr. Bunz pointed out that the NFIAC includes agents employed by 23 insurance companies in the United States and Canada and writes AFL members deal with these agents "it is the same as purchasing goods carrying the union-made label."

Broadcast Catholic Hour From AFL Show

Philadelphia.—On Sunday, May 7, the Catholic Hour (NBC Sundays, 5-6:30 p.m. E.S.T.) will be broadcast from the huge 17,000 seat auditorium of Philadelphia's Convention Hall in connection with the 5th annual Union Industries Show.

This was announced by the National Council of Catholic Men, sponsors of the radio program, and the Union Label Trades Department of the American Federation of Labor, sponsors of the exhibition.

"This 5-day exhibition (May 6-13) which is presented under the auspices of the AFL is designed to better acquaint people with union made products and further establish relations between labor and management," said Matthew Woll, director of the exhibition and President of the AFL Union Label Trades Department, who issued the invitation to NCCM.

Rev. Joseph Manton of the Redemptorist Fathers and the Catholic Hour speaker from Rockwell City, Mass., will speak on the Catholic Hour this special broadcast as part of his 1950 series. His topic will be "The Gallilee Shore." Music will be supplied by the Philadelphia choir of St. John the Evangelist Church directed by Father William Sellers.

"We wish to extend an invitation to all friends of the Catholic Hour in Philadelphia and surrounding areas to come to this special broadcast," said James S. Mitchell, executive secretary of the NCCM. "There are 17,000 seats in the great auditorium of Convention Hall so we hope that many will avail themselves of the opportunity to see as well as hear the Catholic Hour."

Urge Harbor Safety Law

Washington.—AFL representatives urge enactment of amendments to the Longshoremen's and Harbor Workers' Compensation Act to improve safety and hygiene conditions on the nation's shipping fronts. The bill, introduced by Rep. T. C. Tolefson of Washington and Rep. Gerry E. Magnuson of Washington, is here studied, l. to r., by AFL Legislative Representative Walter Hanson, AFL Longshoremen's Secretary-Treasurer John Downey, Chairman John Lesinski of the House Labor Committee, and Dave Rooke, legislative representative for the AFL International Longshoremen's Association.

Doherty Asks People Fight Postal Cut

Washington.—Congress and the general public should meet the order reducing U. S. postal service by stating in the most unequivocal terms that the United States Post Office belongs to the American people everywhere.

That is the answer suggested by

No Jobs Open In Alaska

Washington.—Don't go to Alaska to look for work without first contacting the local union of your own trade.

That is the advice from AFL Organizer Kenneth R. Bowman in Juneau, Alaska, to AFL Secretary Treasurer George Meany.

"The unemployment situation is critical," Mr. Bowman said.

"No union member should come to Alaska without first contacting the local union of his trade. There are locals of all the major construction crafts in Anchorage, Fairbanks, Kodiak, Juneau and Ketchikan. The service trades are well represented in these cities also."

ILGWU Wins Strike Against T-H Boss

Los Angeles.—The AFL International Ladies Garment Workers Union has won a strike by 200 shops in California whose owner had attempted to use the Taft-Hartley law to break the union.

ILGWU Vice President and Pacific Coast Director Louis Hollander said the firm, employing over 80 people, had been refusing to meet contractual responsibilities for over two years.

When the Taft-Hartley law was passed, the owner of the sportswear factory acclaimed the law as something he had waited for for 30 years."

When the contract expired on December 31, 1949, negotiations were conducted continuously, Levy said, to establish a new agreement. The employer, however, insisted on wiping out the health and vacation fund provisions. Since this is the source of all the money for the medical examination benefits enjoyed by the members, the union adamantly refused to yield on this point.

The firm violated Doboy of California on strike Tuesday, March 28. Every production worker in the plant came out on strike and joined the picket line which was under the direct supervision of Abe F. Levy, Los Angeles Joint Council Director of Organization.

Three and a half days of picketing were all that was necessary to bring the firm to terms and a new agreement was signed providing for the full payment of 81 percent of the payroll to the health and vacation fund, in addition to the other benefits of the contract.

As part of the agreement, a check for $4,500 was immediately transmitted to the fund to cover the arrears which had been accumulated during the period in which renewal talks were conducted.

Federal Agencies Let Chiselers Steal Government Funds

FORM 5 NEW LOCALS

Washington.—Five new Local Unions of insurance agents were chartered by the AFL and affiliated with the National Federation of Insurance Agents' Council last month, Charles G. Heisel, NFIAC director of organization, revealed. The new groups are in Lincoln, Neb.; Meadville-Oil City, Pa.; Baltimore, Md.; Winnipeg, Canada, and Bridgeton, N. J.

Washington.—Chiselers are stealing millions of dollars of U. S. funds through the failure of various departments of government to enforce the 8-hour day and Bacon-Davis laws on government projects.

The policy is condoning violations, spreading unemployment when the need is to create jobs, and permitting the "sub" employers to get away unpenalized with millions of dollars in federal funds.

The problem is of intense interest to the AFL's international unions, particularly in the building and metal trades, and governments services, but has been the subject of several AFL conferences.

"We are not going to get any cooperation from the government until we get a clear indication from the head of the government that he wants these laws observed," said AFL Secretary-Treasurer George Meany. "I am sure President Truman's policies are not in favor of violation of these laws."

The problem arises from these basic causes:

1. Failure to enforce the 8-hour day law originally enacted under President U. S. Grant and strengthened by laws enacted in 1892 and 1912.

2. Failure to enforce the Bacon-Davis prevailing wage law by permitting the agency which awards or finances government work to enforce the Bacon-Davis wage decisions, which is tantamount to enforcement at all in many cases.

3. Other wartime emergency powers still in effect, the President issued numerous orders permitting suspension of the 8-hour day under certain circumstances. Some government departments are now allowing abuse of this wartime expedient in such a way as to keep thousands of persons out of legitimate government work.

Over 70 years ago, when labor was not powerful and when reactionaries attempted to cut down the daily rate of pay when the 8-hour law was applied, President Grant adopted a liberal attitude.

The ideas carried in President Grant's proclamation of May 19, 1869, were laid down as the United States policy, and should be observed without exception by all administrative officers of the government.

Mr. Truman should let his old opponent Grant preach a 8-hour day for the June 30, 1950, and not issue any orders contrary to the 8-hour law.

The greatest damage to AFL union members occurs under the Bacon-Davis enforcement policy of the government's agencies which award or finance federal projects under the Bacon-Davis law.

Mr. Meany cited the case of a South Carolina contractor who signed a contract with the Housing and Home Administration Agency to employ carpenters $1.50 an hour on a housing project. Instead, the contractor paid only $1.25 an hour but collected $1.50 an hour under the government contract.

"That is not only cheating the workers but is actually stealing government money," Mr. Meany said. He urged the AFL unions affected by government contracts which prevailed under the Bacon-Davis Act to Work Project Administrations. Under the present lax prevailing enforcement was in the hands of the Department of Justice.

Mr. Meany said policing of all wage-hour laws on government projects should be placed in the U. S. Department of Labor with authority to refer violations to the U. S. Department of Justice for prosecution and punishment.

Remember Gompers. Buy stamps!

500 TAKE OATH

New York.—AFL Vice President Daniel Dubinsky administered the oath to international Ladies' Garment Workers' Union organizers and officers of each of allegiance to 500 newly-elected officers and executive board members of the locals of the Eastern Out-of-Town Department of the ILGWU in a mass installation ceremony at the Astor Hotel April 20.

These officers represent a membership of 37,676 workers grouped in the 24 local unions comprising the Eastern Out-of-Town District of the ILGWU which is directed by Vice President Max Danish.

President Dubinsky took the occasion to sound a warning against him by Westbrook Pegler who, in his bitterness against unionism, called Dubinsky a foreigner with a foreign ideology.

The ILGWU president readily pleaded guilty to the charge of being foreign born. However, in his acceptance of the true spirit of Americanism, in his belief in freedom and democracy, he declared he would be would yield his place to none, emphasizing that he is a naturalized citizen by Westbrook Pegler.

Vice President Harry Wander reported his department in the past year had increased its membership by over 5,000 workers, growing from 32,000 to over 37,000, the highest figure in its history.

In the field of health and welfare the department paid out to its members $3,000,000 in vacation benefits.

Sickness benefit payments reached $1,175,000. Retirement pensions granted during the first year of the fund's operation, 1942, are being received by 36 department members.